

CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS

Nov 15 1949

Desk

Supplement to THE WORLD TODAY

PERIODICAL ROOM
GENERAL LIBRARY
UNIV. OF MICH.

Published twice a month by the Royal Institute of International
Affairs, Chatham House, St James's Square, London, S.W.1

Annual subscription 17s. 6d. Per copy 9d.

Volume v No. 20

6—19 October 1949

AGREEMENTS: ALBANIAN-BULGARIAN POLITICAL AND SOCIAL COL-	
LABORATION	670
FRANCO-DANISH TRADE	676
GERMAN INTERZONAL TRADE	678
CONFERENCES: AFRICAN REGIONAL SCIENTIFIC CONFERENCE	670
ARAB LEAGUE	670
BENELUX	671
INDONESIA	687
COUNCIL OF FOREIGN MINISTERS' DEPUTIES: AUSTRIAN TREATY	673
DISORDERS: CHINA: COMMUNIST OCCUPATION OF CANTON	672
GREECE	684, 685, 692, 695
INDO CHINA	685
MALAYA	686
DISPUTES: BERLIN	679
COMINFORM-YUGOSLAVIA	673, 696, 697
EX-ITALIAN COLONIES	691, 692
HUMAN RIGHTS IN THE BALKANS	690, 691
INDONESIA	685-86, 687
PALESTINE	684, 688
ELECTIONS: AUSTRIA	670
NORWAY	688
EUROPEAN RECOVERY PROGRAMME	675, 679, 689, 695
GOVERNMENT CHANGES: BULGARIA	671
EASTERN GERMANY: PROCLAMATION OF	
DEMOCRATIC GERMAN REPUBLIC	677
EASTERN GERMANY: CABINET	679-80
NORTH ATLANTIC PACT	682, 689, 693, 694, 695
STATEMENTS: STALIN'S MESSAGE TO EAST GERMAN GOVERNMENT	680
U.N. ECONOMIC COMMISSION FOR EUROPE ON DOLLAR	
CRISIS	689
UNITED NATIONS: GENERAL AGREEMENT ON TARIFFS AND TRADE	687-88
GENERAL ASSEMBLY	690-92
INTERNATIONAL BANK	692
INTERNATIONAL REFUGEE ORGANIZATION	692
SECURITY COUNCIL	692-93
WESTERN UNION	696

AFRICAN REGIONAL SCIENTIFIC CONFERENCE. 17 Oct.—The conference was opened in Johannesburg by Dr Malan, the South African Prime Minister. It was attended by delegates from British, French, Belgian, and Portuguese territories, and from the Union.

ALBANIA. 7 Oct.—It was learned that the Government had protested to the U.S.A., Britain, and France, against the establishment of the west German Government.

Frontier incident (*see Yugoslavia*).

11 Oct.—Yugoslav protest about frontier incident (*see Yugoslavia*).

14 Oct.—An agreement was signed with Bulgaria providing for collaboration in political and social activity.

ARAB LEAGUE. 17 Oct.—A meeting of the Council of the Arab League opened at the Foreign Ministry in Cairo.

ARGENTINA. 11 Oct.—The Commercial Minister to the British Embassy, Mr Joint, addressing the British Chamber of Commerce, expressed his Government's concern at the Argentine failure to comply with the terms of the Anglo-Argentine trade agreement, by withholding permits for imports of U.K. manufactures and by not permitting the transfer of financial payments to the U.K. He also referred to the difficulties inherent in the new exchange rate for basic exports of 9.4 pesos to the £. Unless import permits were granted within the next few weeks Britain might be obliged to reduce the food purchases contemplated in the agreement.

AUSTRALIA. 11 Oct.—It was learned that Gen. Rowell had been appointed Chief of the General Staff with effect on 16 April 1950.

17 Oct.—The Governor-General, Mr McKell, opened the Snowy Mountains hydro-electric undertaking at a ceremony at Adaminaby, in New South Wales, attended by the Prime Minister, Mr Chifley, and the Governor and the Premier of New South Wales.

Communism. The General Secretary of the Communist Party, Mr Sharkey, was sentenced to three years imprisonment for having uttered seditious words (*see p. 162*).

AUSTRIA. 9 Oct.—*Elections.* An estimated 94 per cent of the electorate went to the polls in the general election. The results were: People's Party, 1,844,850 votes, 44.2 per cent, 77 seats (8 less than in the previous Government); Socialists, 1,621,275 votes, 38.6 per cent, 67 seats (9 less); Union of Independents, 489,132 votes, 11.7 per cent, 16 seats (16 more); Left Bloc, 212,651 votes, 5 per cent, 5 seats (1 more).

11 Oct.—The Cabinet resigned. President Renner asked the Ministers to stay at their posts while the Chancellor, Dr Figl, formed a new Ministry.

12 Oct.—Mr Shinwell, British Secretary of State for War, arrived in Vienna for a visit to British troops.

BELGIUM. 11 Oct.—The Senate committees for justice and interior affairs approved the Bill providing for a referendum on the King's return by 23 votes to 14, with 5 abstentions.

16 Oct.—M. Eyskens, the Prime Minister, had two meetings with King Leopold at Pregny, Switzerland.

17 Oct.—Complying with a request from the U.P. agency, King Leopold made a statement on the campaign and surrender of the Belgian army in May 1940.

18 Oct.—On his return from Switzerland, M. Eyskens met the Liberal and Christian Social Ministers and announced afterwards that the Government had decided to organize, as soon as possible, a referendum on the King's return. The King had stated that he would not resume his royal functions unless a minimum of 55 per cent of the votes were cast in his favour.

BENELUX. 13 Oct.—A conference of Ministers and officials of the three countries opened in Luxembourg.

15 Oct.—The conference ended. A statement issued later said that the three countries had agreed to make an economic union effective by 1 July 1950, provided Marshall aid continued until 1952. During the intervening period the trend of trade between the Netherlands and the Belgo-Luxembourg union would show whether a full Benelux union was possible. If not some trade and payments limitations might be retained provisionally.

BOLIVIA. 17 Oct.—It was announced that President Hertzog had resigned because of ill health.

BRITISH EAST AFRICA. 9 Oct.—*Tanganyika*. It was learned that Sir Alan Burns, the British representative on the Trusteeship Council, had arrived at Dar-es-Salaam on a mission of inquiry at the invitation of the Governor.

BULGARIA. 7 Oct.—*Government Changes*. The Minister for Railways, Mr Tonchev, and his deputy were dismissed for inefficiency.

8 Oct.—*Government Changes*. The Finance Minister, Mr Kunin, and his deputy, Mr Petrov, were relieved of their posts. Mr Lazarev, president of the State Planning Committee, was appointed to direct the Finance Ministry provisionally with the assistance of Mrs Lukanova.

14 Oct.—Agreement signed with Albania (*see Albania*).

Yugoslav reply to Government's Note of 1 October (*see Yugoslavia*).

16 Oct.—Report of mass arrests in Bulgaria (*see Yugoslavia*).

17 Oct.—It was announced that the Government's trade representatives in Moscow, Prague, and Istanbul had been relieved of their posts, together with the trade councillors in Stockholm, Budapest, Alexandria, and Bucharest.

19 Oct.—It was learned that the Government had recognized the east German Government.

BURMA. 10 Oct.—Thakin Nu, Prime Minister, announced an all-out Government drive against profiteering and corruption which were 'steadily shattering the nation's economic stability'.

CANADA. 14 Oct.—*Pakistan*. Sir Mohammed Zafrullah Khan, the Pakistani Minister for Foreign Affairs and Commonwealth Relations, who was visiting the country, was the principal guest at a Government luncheon.

18 Oct.—The establishment of a non-Governmental dollar-sterling trade board was announced in Ottawa. Its function was to advise means of expanding and stimulating trade between the sterling area and Canada.

CHINA. 6 Oct.—The Peking Government ordered press and radio correspondents in its territory, who were from countries 'without diplomatic relations' with the new régime, to 'discontinue news activity'.

It was learned that the U.S.S.R. had appointed Gen. Roschin, who had been accredited to the Nationalist régime until his recall in May, as Soviet Ambassador to the Peking Government.

7 Oct.—Release of two U.S. ships by the Nationalists (*see United States*).

9 Oct.—Recognition of Peking Government by Mongolia (*see Mongolian People's Republic*).

Speaking at the inauguration ceremony of the Sino-Soviet Friendship Association in Peking, Liu Shao-chi, president of the association and vice-chairman of the Communist Government, announced that the U.S.S.R. had sent over 200 specialists to serve in the north-east and other parts of China. He attributed the rapid restoration of the railways to Soviet assistance and said that trade with the U.S.S.R. had begun on very advantageous terms.

10 Oct.—Communist troops advancing along the Hankow-Canton railway were reported to have reached a point sixty miles from Canton.

Loss of diplomatic status by dissident members of Paris Embassy (*see France*).

11 Oct.—Dr Yen Hsi-shan, the Nationalist Prime Minister left Canton by air for Formosa to meet Gen. Chiang Kai-shek.

Six hundred and thirty-one foreign evacuees arrived in Hong Kong from Shanghai, including the French, Swedish, and Dutch Ambassadors, and the Portuguese Minister.

13 Oct.—It was learned that the Nationalist Government had left Canton for Chungking which it described as 'co-capital' with Formosa.

Communist troops were reported to have occupied the oasis of Hami, in Sinkiang province.

15 Oct.—Communist advance troops entered Canton.

The Communists opened a large-scale offensive against Amoy Island from the mainland, during the course of which the British steamer *Anhui* was hit, and three of the Chinese crew killed and several injured.

16 Oct.—The main Communist force entered Canton and the city

was formally handed over to the Communist General Lin Piao, without major disturbance.

Communist troops landed on the north-east corner of Amoy Island.

It was learned that the population of Kwangsi province was being organized on a total war basis.

An official Chungking report said that agreement had been reached with the Formosa authorities for the transfer to Chungking of part of the gold and silver reserves for financing further resistance to the Communists.

17 Oct.—Amoy Island fell to the Communists.

Regular Communist troops reached the Hong Kong border and took over Shamchun, the largest town on the frontier.

18 Oct.—Peking radio reported that the restoration of the railway system was being planned at a conference in Peking attended by a number of Soviet experts.

Hong Kong. Communist troops took over Shataukok on the Hong Kong frontier. It was learned that a British police officer at one of the frontier posts had been told by the guerrilla troops on the other side of the frontier that they had orders to avoid incidents with the British forces.

The acting President, Li Tsung-jen, speaking in Chungking, appealed for political reform. If the Government were not renovated without delay their position would be hopeless.

COLOMBIA. 17 Oct.—End of reciprocal trade agreement with the U.S.A. (*see United States*).

COUNCIL OF FOREIGN MINISTERS. 6 Oct.—*Austrian Treaty*. The four Foreign Ministers held a third informal meeting in New York.

10 Oct.—*Austrian Treaty*. On the instructions of their Foreign Ministers, the four deputies began a further series of negotiations.

CZECHOSLOVAKIA. 6 Oct.—The Government protested to Britain, France, and the U.S.A. against the establishment of a west German State.

Purge. Reports current in Prague spoke of numerous arrests and investigations as part of an extensive purge.

10 Oct.—*Yugoslavia*. A Note was received from the Yugoslav Government protesting against the recent expulsions of Yugoslav diplomats and at alleged attempts by the security police to 'terrorize' them.

Church and State. A statement issued by a Roman Catholic secret information service said that forty more vicars and deans had been arrested and that the Government had persuaded some priests to sign documents approving their church plans. The statement contained a warning, attributed to Archbishop Beran, that approval by priests of the Government's plans was 'treason to the cause of Christ'.

A new University of Political and Economic Sciences was opened in Prague.

CZECHOSLOVAKIA (*continued*)

Purge. More widespread arrests among the middle classes were reported.

7 Oct.—*Purge.* Reports reaching Vienna said that the Communist Party had undergone a severe purge during the past three weeks, with the arrest of at least 5,000 Party members. Many arrests were also reported among the bourgeoisie in the big cities.

12 Oct.—*Purge.* An article in *Rude Pravo* said that the Government had decided that those who 'have been earning 100,000 crowns daily merely by telephoning' must now be ordered to work. It admitted that a purge was going on in Government offices and added that this only differed from previous purges in that those concerned were deprived of liberty.

14 Oct.—*Church and State.* Dr Cepicka, the Minister of Justice, addressing Parliament, accused the Catholic Church of working for a Central European Union on a Church basis, and of trying to form a Vatican 'fifth column'. Under the new law priests would not become civil servants, but the State must reserve the right to judge whether priests were politically reliable. Parliament then approved the two Bills authorizing the Government to take over the administrative control of the churches, and setting up the necessary Government department.

The Vatican radio announced the Pope's appointment of Mgr Tomasek as assistant Bishop to Archbishop Matocha of Olomouc.

Purge. The official news agency stated that the recent round-up had been aimed, in part, at protecting the nation against agents of foreign Powers. The Government had taken their lesson from the Rajk trial.

15 Oct.—Mr Zapotocky, Prime Minister, addressing a meeting of Prague trade union leaders, complained of go-slow tendencies among the workers, rising absenteeism, and failure to increase productivity. He appealed to the leaders for more ambition and enthusiasm. Thirteen similar meetings were held throughout the country.

17 Oct.—*Purge.* An official announcement admitted that the purge had been extended to the villages, where 'exploiters' of other people's labour and opponents of the new régime and of socialization were being arrested, and their homes confiscated.

18 Oct.—*Purge.* *Prace*, the trade union newspaper, disclosed that Mr Zapotocky had recently told a workers' conference that political prisoners were being sent to labour camps for 're-education'. If they adopted 'shockworker' ideals they would probably be allowed to return to normal civil life.

The Communist press also disclosed that committees of 'trustworthy people' were being organized in Prague to carry out house-to-house investigations on the political reliability of the residents, and their manner of living.

Church and State. The Cabinet announced that all priests, in order to draw their salaries under the new Church laws, must give an oath of loyalty to the State after 1 November.

Germany. The Government decided to recognize the east German Government, according to Moscow radio.

19 Oct.—British reply to Note of 6 October (*see Great Britain*).

DENMARK. 11 Oct.—Trade agreement with France (*see France*).

EGYPT. 9 Oct.—The Supreme Military Court sentenced to death Abdul Megid Hassan, a student charged with the murder of Nokrashy Pasha the previous December.

15 Oct.—The abolition of the mixed courts and the setting up of the national courts was marked by a ceremony at which the Minister of Justice, Allouba Pasha, spoke of the achievement of Egyptian judicial sovereignty.

13 Oct.—The Supreme Military Court sentenced to life imprisonment four persons charged with complicity in the murder of Nokrashy Pasha. One man was acquitted.

EUROPEAN ECONOMIC CO-OPERATION. 11 Oct.—It was learned that the Council of the O.E.E.C. had reached agreement in principle on means of carrying out negotiations for the freeing of trade.

A report on the prospects of food and agriculture in the interval before the end of the Marshall Plan, which was published by the O.E.E.C., showed that member countries planned to increase crop production to between 10 and 30 per cent, and livestock production to 10 per cent above pre-war levels. Food and animal feed imports from the western hemisphere would be 42 per cent of the total imports from that source in 1952-3 instead of 51 per cent in 1947-8.

13 Oct.—M. Marjolin, Secretary-General of the O.E.E.C., announced the measures agreed on for the further liberalization of European trade. These included the following decisions: (1) a country which in agreement with another country decided on measures to make trade between the two of them freer, should wherever possible, extend the benefit to other O.E.E.C. countries; (2) countries which made bilateral agreements for freer trade should try to reach agreement on a common list of products for which quantitative import restrictions would be abolished by the greatest number of countries possible; (3) a group would be set up to examine the lists of import restrictions submitted by the participating countries and to report to the Council by 31 October. This group would also be kept informed of the negotiations between member countries for reciprocal easing of restrictions—to be completed by 31 December. (4) the O.E.E.C. countries should collectively hold an international fair in the U.S.A., possibly in 1950.

FINLAND. 17 Oct.—Grant of \$2,300,000 loan (*see U.N. International Bank*).

FRANCE. 8 Oct.—M. Jules Moch, the outgoing Socialist Minister of the Interior, accepted President Auriol's invitation to undertake a 'mission of inquiry' into the possibility of an agreement between the various Parliamentary parties and groups on a practical solution of the

FRANCE (*continued*)

economic and financial difficulties which the last Government had failed to solve.

10 Oct.—M. Moch completed his discussions on his draft programme and obtained the support of the main political groups except the Independents (headed by M. Reynaud) and the extreme Right.

China. The Chinese Chargé d'Affaires informed the Government that six members of his staff had transferred their allegiance to the Communist Government in Peking. The Government struck them off the diplomatic list.

11 Oct.—M. Moch accepted the President's invitation to form a Government.

Germany. M. Schuman speaking at Metz commended Gen. de Gaulle's recent argument in favour of a Franco-German *entente*. He also said that the existing régime in the Saar was provisional and would be settled by the peace treaty with Germany. While France wanted to maintain a special relationship with the Saar, she had no desire to annex it.

Trade Agreement. It was learned that an agreement had been signed with Denmark, to come into force on 1 November, providing for an exchange of goods worth 28,000 million francs during the following year.

13 Oct.—M. Moch presented his programme to the National Assembly. He proposed the following measures to deal with the wage price issue: (1) continuous pressure on prices, with exceptional resort to subsidies; (2) return to collective bargaining, conciliation, and arbitration as existed in 1937; (3) payment of a single maximum bonus of 3,000 francs (just over £3) to workers earning less than 15,000 francs a month. This outlay would be too small to have any inflationary effects. Long-term measures would include action to reduce tax evasion and cuts in the Civil Service. Foreign policy would be unchanged. In the ensuing debate the programme was attacked by M. Reynaud, M. Duclos, and M. Daladier. The session continued past midnight when M. Moch was elected Prime Minister by 311 votes to 223 (310 representing the constitutional minimum for the election of a Prime Minister).

14 Oct.—*Germany.* The Government replied to the Soviet Note of 1 October rejecting any idea of western responsibility for the division of Germany, and pointing out that the western Powers had made it clear that the resumption of four-Power talks in May could not be at the price of the west German Government. This condition had been accepted at the time by the Soviet Government, and their current complaint could only be an attempt to throw on to the western Powers the responsibility for breaking the Paris agreement at a time when the establishment of an east German Government in the eastern Sector of Berlin ran across the decision reached at Paris to lessen the disadvantages arising from a divided city.

15 Oct.—M. Alphand, Director of Economic Affairs at the Quai d'Orsay, denied that the proposed Franco-Benelux-Italian 'economic zone' was in any sense a reaction to the devaluation of sterling, and pointed out that five-Power negotiations had been proceeding for

several months. He also denied that the idea ran counter to Franco-British understanding, which was so essential to the realization of European unity.

17 Oct.—M. Moch informed the President that his attempts to form a Government had failed.

18 Oct.—Following the refusal of the M.R.P. leaders, M. Schuman, M. Bidault, and M. de Menthon, and of M. Queuille, the outgoing Radical Socialist Prime Minister, to form a Government, M. René Mayer, Radical Socialist, agreed to sound the parties on his own chances of success.

19 Oct.—M. Mayer agreed to stand for election as Prime Minister.

GERMANY. 6 Oct.—*East German Government*. It was learned that Herr Nuschke, chairman of the Christian Democratic Union in the Soviet Zone, had announced that his party had 'postponed' its demand for local and provincial elections 'in face of the urgent tasks of setting up a free democratic all-German Government as soon as possible'.

The last British aircraft flying in the air-lift landed at Gatow.

Interzonal Trade. The High Commission approved the terms of the proposed trade agreement between the eastern and western Zones.

Czechoslovak, Polish, and Rumanian protests against west German State (see *Czechoslovakia, Poland, and Rumania*).

U.S. reply to Soviet protest against west German State (see *United States*).

7 Oct.—*East German Government*. The People's Council, meeting in Berlin, sent an appeal to the Foreign Ministers of the four Powers for a peace treaty and the withdrawal of foreign troops. The 'Democratic German Republic' was then proclaimed, and the People's Council constituted itself into the provisional Lower House (*Volkskammer*). A twenty-point programme was unanimously approved whose aims included the reversal of the construction of the 'separatist' west German State, the Ruhr Statute, and the autonomy of the Saar; the early signing of a peace treaty followed by the withdrawal of all occupation forces; the complete recognition of the Potsdam agreements concerning the democratization and demilitarization of Germany, and Germany's obligations towards other nations; the restoration of full German sovereignty, including independent control of foreign relations and foreign trade; the unity of Berlin; and the end of dismantling. Herr Pieck, president of the People's Council and co-chairman of the Socialist Unity Party announced that elections would be held in October 1950.

At its first business session the Lower House elected Herr Dieckmann, a Liberal Democrat leader, as its Speaker. It was then announced that the Socialist Unity Party, as the largest Party in the Chamber, had nominated Herr Grotewohl, its co-chairman with Herr Pieck, as Prime Minister.

An official British survey of the history of the People's Congress was published. It declared that the Congress elections in May were 'deliberately rigged' and that the new Government's claim to represent the people of eastern Germany was therefore false.

GERMANY (*continued*)

Dr Adenauer, the west German Chancellor, said that the east German régime was without legal foundation and was subjugated to foreign influence. The Federal Republic must do all in its power to give spiritual and moral assistance to the people of the eastern Zone until a reunification of the two parts of Germany was possible.

Albanian protest against west German State (*see Albania*).

8 Oct.—*Berlin*. The western City Assembly passed a resolution asking the western Powers to approve the inclusion of Berlin in the west German Republic.

Interzonal trade. The trade agreement between eastern and western Germany was signed in Frankfurt providing for the exchange of about 600 million D-marks worth of goods.

9 Oct.—*Dismantling*. *Die Welt* published a statement by Mr McCloy, the U.S. High Commissioner, calling for an end to 'purposeless dismantling' and declaring that the setting up of an 'international military control' in the Ruhr was a better guarantee against the rebuilding of German war industry.

Mr McCloy said in a prepared statement that the dismantling question was not in the hands of the High Commissioners but was the responsibility of the three Governments. He personally did 'not favour a cessation of dismantling unless and until guarantees as to security and reparation can be given by Germany sufficiently strong to justify it'.

Dr Adenauer, the west German Chancellor, speaking in Hamburg, said that the American people had more understanding for the European problems than the Europeans themselves. 'Britain is and always has been, the most difficult' of the occupying Powers.

10 Oct.—*East German Government*. Gen. Chuikov, the Soviet Military Governor, speaking at a reception of the executive committee of the provisional Lower House, announced that, as a result of the acceptance of the Potsdam obligations by the German democratic forces, the Soviet Military Administration would hand over its duties to the provisional Government, and would be replaced by a Soviet Control Commission to supervise 'the execution of the Potsdam agreement and other four-Power agreements affecting Germany'. He attacked the western Powers, and said that German democrats were justified in recognizing the Bonn 'puppet' Government as an obstacle to the unity of Germany and in taking into their own hands the rebirth of the country on a democratic and peaceful basis.

The Parliaments of the five *Länder* in the Soviet Zone elected a total of thirty-four deputies to the Upper House (*Länderkammer*) of the new Government, the political parties securing representation proportionate to their strength in each *Land* Parliament. Seven Berlin observers, led by Herr Ebert, the Lord Mayor of the eastern Sector, were elected by the 'Democratic Bloc' of Berlin.

The three western High Commissioners issued a statement denouncing the Democratic German Republic as an 'artificial creation' with no legal basis and no title to represent the people. The postponement of

elections was evidently to ensure that when they were held they would follow the pattern set up in other satellite states. The Federal Republic, on the other hand, had been constituted in accordance with the fundamental principles of democracy with a Basic Law prepared by a representative Assembly, and with popular elections. Events in the eastern Zone would not modify the attitude of the western Powers towards Germany, and they would continue to be guided by the principles laid down at the Washington Conference—'to encourage and facilitate the closest integration . . . of the German people under a federal democratic State within the framework of the European association'. The people in the western Sectors of Berlin were assured that the three Powers would 'continue to fulfil their mission in the former capital'.

British reply to Soviet Note on Germany (*see Great Britain*).

11 Oct.—*East German Government*. The two Houses of the new Parliament held a joint session, attended by Gen. Chuikov, Mr Semenov, other Soviet officials, and representatives of the military missions of the east European States. A law was unanimously passed bringing into effect the transfer to the Government of the administrative powers of the Soviet Military Administration. Herr Pieck was elected President of the new Republic, and after taking the oath he made a speech in which he claimed that the new Government had the right to speak for the whole of Germany. He appealed to the members of the Bonn Government to realize the dangers inherent in the policy of the western Powers, and to join forces with the Democratic Republic to 'wage the struggle for the unity and national independence of the German people'. After accusing the western Powers of breaking the Potsdam agreements, setting up a 'puppet' Government at Bonn, and refusing to conclude a peace treaty with Germany, he praised the 'generous statesmanship' of the U.S.S.R.

Berlin. The western Commandants received a reply from Gen. Kotikov, the Soviet Commandant, to their letter of 28 September reaffirming that the railway agreement had not been violated, and accusing them of deliberately breaking off the talks 'when they had already started to show positive results'. The Soviet Kommandatura firmly adhered to the decisions of the Paris meeting of the Council of Foreign Ministers and 'will insist that they be carried out by the other participants'. The High Commission had no authority to change these decisions.

E.R.P. It was learned that the Bonn Government had been authorized to appoint its own delegates to the O.E.E.C.

M. Schuman on the Saar (*see France*).

British Zone. Mr Shinwell, British Secretary of State for War, speaking to correspondents at Sennelager after watching allied Army manoeuvres, rejected any suggestion that the British Army of the Rhine could be cut down.

12 Oct.—*East German Government*. Herr Grotewohl presented his Cabinet to the Lower House. It included: deputy Prime Ministers, Herr Ulbricht (S.E.D.); Professor Kastner (L.D.P.); Herr Nuschke (C.D.U.); Foreign Affairs, Herr Dertinger (C.D.U.); Interior, Herr Steinhoff

GERMANY (*continued*)

(S.E.D.); Planning, Herr Rau (S.E.D.); Finance, Herr Loch (L.D.P.); Industry, Herr Selbmann (S.E.D.); Labour and Health, Herr Steidle (C.D.U.); Culture, Herr Wandel (S.E.D.); and Justice, Herr Fechner (S.E.D.).

Herr Grotewohl also made a statement of policy, emphasizing the Government's friendship for the U.S.S.R. and the People's Democracies, and reaffirming the permanence of the Oder-Neisse frontier. On the economic side he promised the end of rationing, except for food and meat, in one year's time, the immediate abolition of the lowest ration scale, a new economic plan in a year's time, increased imports of raw materials and machinery, and encouragement to private initiative within the framework of socialized industry. Germany must continue to fulfil her reparations obligations, to fight militarism and Fascism, and to establish friendly relations with all nations.

Mr Acheson on east German Government (*see United States*).

Trade Union Congress. A congress opened in Munich, attended by representatives of sixteen trade unions in the three western Zones and by guests from fifteen foreign countries.

Berlin. A delegation from the Western City Assembly submitted a resolution to the three western Commandants asking for the incorporation of western Berlin with the Federal State.

The management of the Borsig machine-producing firm in the French Sector was told by the French authorities to start dismantling operations. (This firm had been dismantled by the Russians in 1945. It had then been partly rebuilt with the permission of the French Military Government, and again placed on the dismantling list in 1947.)

14 Oct.—*East German Government.* A message of congratulations to Herr Pieck and Herr Grotewohl from Mr Stalin was published. He described the foundation of the German Democratic Republic as a turning point in European history, declaring that 'the existence of a peace-loving democratic Germany and of the peace-loving Soviet Union excludes the possibility of new wars in Europe and makes impossible the subjection of European countries by the western imperialists. The last war showed that the German and Soviet peoples made the greatest sacrifices, and that they have the greatest potentialities in Europe for executing great enterprises. If these two peoples resolve to fight for peace with the same intensity they waged war, peace in Europe can be regarded as assured . . . In taking this path and guaranteeing peace, you have the sympathy and active support of all the peoples of the world, including the American, British, French, Polish, Czechoslovak, and Italian peoples . . .'

Herr Pieck and Herr Grotewohl replied thanking Mr Stalin for his 'world-shaking words'. They re-acknowledged the 'historic guilt' of the German people for their attack on the Soviet Union and pledged the people to fulfil the obligations contained in the Potsdam agreement.

French reply to Soviet Note on west German State (*see France*).

15 Oct.—*Western Germany.* The Government assumed all administrative powers connected with foreign trade, subject to the general control

of policy given to the High Commissioners by the Occupation Statute.
 16 Oct.—*East German Government*. Diplomatic relations were established with the U.S.S.R. It was announced that the head of the Soviet mission would be Mr Pushkin, until recently Soviet Ambassador in Budapest. The head of the German mission would be Herr Appelt, formerly deputy chief of the department for inter-zonal and foreign trade in the German Economic Commission.

Berlin. It was learned that the non-Communist trade union body, U.G.O., had written to the French High Commissioner, M. François-Poncet, urging that the dismantling of the Borsig works should end, on the ground that only there could essential industrial repairs for western Berlin be carried out. This letter had been endorsed by Herr Reuter, Lord Mayor, who had also approached the other High Commissioners and the three western Commandants.

17 Oct.—*Dismantling*. Mr McCloy said in an interview in Frankfurt that he was anxious that something constructive should emerge from the dismantling problem. It was up to the Germans to work out alternative means of satisfying the western Powers on security and reparations. Such a case was now being prepared, but its details had not yet been placed before the High Commissioners. A new plan should involve wholehearted German support for the Ruhr authority, and should be incorporated into a general scheme of joint responsibility for the heavy industry of Britain, France, Germany, the Saar, and Luxembourg. Precautions must be taken to guard against the development of a 'grand international cartellization'. According to U.S. views the federation should be based on competitive free enterprise—a European concept serving peace.

Western Germany. A series of conferences was begun in Bonn between Dr Adenauer and members of his Cabinet, and Professor Reuter and Frau Schroeder from Berlin.

U.S. reply to Soviet Note on Germany (*see United States*).

18 Oct.—*East German Government*. Recognition by Czechoslovakia (*see Czechoslovakia*).

Report on local Government in the British Zone (*see Great Britain*).

Ruhr. Dr Adenauer announced that Dr W. Bauer had been appointed as official German observer to the Ruhr Authority.

U.S. Zone. Mr McCloy told correspondents in Frankfurt that the western Powers would follow their predetermined policy in western Germany, irrespective of Russian moves. U.S. troops would remain even if Russian troops were withdrawn.

19 Oct.—*East German Government*. It was announced in Berlin that the Government had been recognized by the Polish Government. Recognition by Bulgaria and Hungary (*see Bulgaria and Hungary*).

British replies to Poland and Czechoslovakia on west German State (*see Great Britain*).

Dismantling. Following a threat by German Governmental authorities to sue certain contracting firms for damages if they undertook dismantling work without a special licence, Gen. Bishop, British Commissioner for North Rhine-Westphalia, ordered all proceedings of this

GERMANY (*continued*)

kind to be suspended. He pointed out that the contractors were working for the Allied High Commission and that the German authorities had no right to interfere with their work.

GREAT BRITAIN. 6 Oct.—A White Paper (Cmd. 7793) on Britain's overall balance of payments was issued showing a deficit of £10 million in the first half of 1949 compared with the Government's forecast of a deficit of £15 million.

Hungarian statement on Harrison case (*see Hungary*).

8 Oct.—*India*. Sir Stafford Cripps, Chancellor of the Exchequer, received Pandit Nehru, the Indian Prime Minister, who arrived in London on his way to the U.S.A.

Pakistan. Sir Stafford received Mr Ghulam Mohammed, the Finance Minister of Pakistan, who later left London for home.

10 Oct.—*India*. Mr Attlee, Prime Minister, received Pandit Nehru who later visited Mr Bevan, the Minister of Health.

Germany. A Note was handed to the Soviet Chargé d'Affaires in reply to the Soviet Note of 1 October. It rejected the Soviet charges and declared that the Soviet Government, by their actions in the economic and political field in Germany, were entirely responsible for the division of Germany. The Soviet refusal to treat Germany as a unit, in accordance with the Potsdam agreement, had compelled the three western Powers to take progressive steps towards the unification of their respective Zones, though H.M. Government had frequently and publicly stated their reluctance to proceed with these steps without the co-operation of the Soviet Zone and its authorities. The Note ended with a reaffirmation of British policy, as recently advanced with the establishment of the Federal Republic at Bonn—'to work with any other occupying Power which is prepared to co-operate towards the unification of Germany on peaceful and stable foundations, and the establishment there of a political and economic system based on free German institutions and linked with the other free and peaceful nations of the world'.

Atlantic Pact. A Note was handed to the Soviet Ambassador replying to a second Soviet Note of protest against Italy's adherence to the North Atlantic Pact (dated 19 September), and declaring that nothing in the Soviet letter invalidated the statements made in the British Note of 2 August.

Annexy Tariff Negotiations. Three White Papers were published dealing with the Annexy conference of the contracting parties to the general Agreement on Tariffs and Trade. The first (Cmd. 7790) was a statement regarding the tariff of western Germany and the most-favoured-nation treatment for the western Sectors of Berlin; the second (Cmd. 7791) contained the most important documents drawn up at the conference; the third (Cmd. 7792) gave details of the concessions secured and accorded by the U.K.

12 Oct.—Sir Stafford Cripps told a press conference that devaluation had already resulted in increased orders from the dollar area. He also said that figures published by the E.C.A. showed that industrial pro-

duction during the first half of the year was 36 per cent above that of 1938, coal production in the current year had so far exceeded that of the corresponding period of 1948 by just over 4 million tons, and steel production was encouraging.

Mr Bevin returned to London from the U.S.A.

British protest about Argentina's failure to comply with terms of trade agreement (*see Argentina*).

Conservative Party Conference. At the opening of the Conservative conference in London, Mr Eden and others spoke in favour of a motion which was passed unanimously deploring the Government's economic and financial policy and pledging the conference to support all measures necessary to 'restore our national credit, to eliminate waste and extravagance, and to safeguard our system of social services and the standard of living of our people'.

Mr Shinwell in Vienna (*see Austria*).

13 Oct.—*Conservative Party Conference.* A motion supporting a policy of Empire development under a system of mutual preference was passed unanimously. Another motion upholding all practical measures to promote European unity, consistent with the full maintenance of the unity of the British Empire and continuing collaboration with the U.S.A. was passed with only two dissentients. Among other subjects discussed were defence, agriculture, and housing.

Field-Marshal Slim in Karachi (*see Pakistan*).

14 Oct.—*Conservative Party Conference.* Mr Churchill told the conference that the Conservatives would offer no false promises of immediate benefits to the electorate. All they would promise would be to do their 'best for all, without fear or favour . . . as we did in the days of Dunkirk'. He rejected the Labour Party's claims that the Socialists were responsible for full employment in the post-war years and that the Conservative Party proposed to use mass unemployment as an economic instrument, declaring that the policy of full employment had been drawn up and adopted when he himself was Prime Minister in 1944. This principle still held good, but the Conservatives would abolish the compulsory direction of labour. The Socialists' period in office had been a 'rake's progress' of expenditure. All the major nationalized industries had ceased to be assets to the public and become burdens instead. The Conservatives would call a halt to any further nationalization, and though they could not undo what had been done in the coal mines and the railways, they would decentralize the management and cut down the costs. Conservative planning would stress the importance of agriculture as the first step to national independence, and building restrictions must be removed. To the Socialist policy of 'control, devalue, and flatten out', the Conservatives would oppose a process of 'unceasing and untiring expansion'.

The conference approved the policy contained in 'The Right Road for Britain' by an overwhelming majority.

15 Oct.—Mr Shinwell in Trieste (*see Trieste*).

16 Oct.—Field-Marshal Slim in Delhi (*see India*).

17 Oct.—Mr Shinwell returned to London.

GREAT BRITAIN (*continued*)

Israel. The Israeli Legation issued a statement on behalf of their Government declaring that the Jewish minority in Iraq was being subjected to a 'new wave of persecution', including 'numerous arrests' and 'torture'.

18 Oct.—*Germany.* A White Paper was published (Cmd. 7804) on methods used to assist local government in the British Zone of Germany. The main aims had been to make policy the exclusive responsibility of elected representatives, to decentralize authority, and to remove the civil service from the political arena. Since 1947, when legislative authority had been handed over to the Germans, indirect methods of influence had been used. Local authorities in Germany had visited Britain to see at first hand the British system of local government, and conferences had been held in Germany, attended by leading figures in local government from Britain, Denmark, Norway, Sweden, and Switzerland. The results were described as encouraging, though much remained to be done.

Council of Europe. Mr Attlee told the House at question time that the U.K. representatives in the Consultative Assembly spoke and voted in the Assembly as private individuals and were not responsible to Parliament for the speeches they made in the Assembly. The Foreign Secretary, as the Government's representative on the Committee of Ministers, was answerable to the House for his actions in that body.

19 Oct.—*Japan.* Mr Bevin told the House at question time that there was little hope that Japan would ever be able to pay any further substantial reparations, and at the same time, pay her way in the world. The U.S. Government had made out a good case for the cessation of reparations.

Malta. Mr Creech Jones, Colonial Secretary, told the House in answer to a question that Government aid to Malta since the end of the European war amounted to £22,775,000. He also said that 18,707 Maltese civilians were now employed by the U.K. Government in Malta, compared with 11,164 in 1938.

Germany. Notes were handed to the Czechoslovak and Polish Ambassadors replying to their protests about the establishment of the Bonn Government, and pointing out that the policy of decentralization to which they had taken exception was in accordance with Article 9 of the Potsdam agreement.

GREECE. 6 Oct.—The Parliamentary recess committee passed the Bill providing for the suspension of death sentences pending their review by the Council of Pardons. The new law would not apply to rebels who continued to fight.

12 Oct.—*U.S.S.R.* It was learned that a Note had been handed to the Soviet Chargé d'Affaires complaining about the alleged deportation in June of about 17,000 Greek nationals in Georgia to southern Kazakhstan where they were employed for harvesting under the most brutal conditions. A similar Note to Moscow on 24 June had had no reply.

16 Oct.—The 'Free Greek' radio announced that the rebel army

had ceased operations 'in order to avoid the total destruction of Greece'. It declared that the 'Anglo-American imperialists and their agents, the Monarcho-Fascists' had brought untold misery to the country, and that the people needed 'peace and bread'. This temporary cessation of hostilities did not mean that the 'Provisional Greek Government' had renounced the fight for the 'rights of the Greek people'.

The General Staff stated that it had information that a force of 3,000 rebels was training in Albania for a new attack on Greece.

GUATEMALA. 19 Oct.—The Foreign Ministry reported that 4,000 people had lost their lives in the recent floods, 70,000 had been made homeless, and damage to property was estimated to be at least \$50 million.

HUNGARY. 6 Oct.—*Britain.* The Government requested the recall of an official at the British Legation in retaliation for the expulsion of an official at their London Legation on 30 September. A Foreign Office spokesman declared that Mr Harrison was a member of the British secret service and that he had offered to work for Hungary in return for the release of a Hungarian woman whom he had enlisted in the British secret service. Gramophone records had been taken of his conversations with the police.

15 Oct.—Rajk, Szonyi, and Szalai were executed, their appeals for pardon having been refused.

19 Oct.—It was learned that the Government had recognized the east German Government.

INDIA. 8 Oct.—Pandit Nehru in London (*see Great Britain*).

11 Oct.—Pandit Nehru in Washington (*see United States*).

13 Oct.—Pandit Nehru's speech to U.S. Congress (*see United States*).

16 Oct.—Field-Marshal Slim, Chief of the Imperial General Staff, arrived in Delhi for a short visit before proceeding to Singapore.

17 Oct.—Pandit Nehru's speech in New York (*see United States*).

INDO CHINA. 10 Oct.—It was learned that Viet Minh rebels had attacked a French convoy in northern Tongking on 2 October, killing about fifty troops and themselves sustaining heavy casualties.

11 Oct.—French military circles in Saigon reported that French land and naval forces had carried out a successful raid thirty-five miles north of Vinh, on the coast of northern Annam.

INDONESIA. 16 Oct.—Sultan Hamengku Buwono, the Republican Minister of Defence and acting Prime Minister, issued a statement expressing concern about the situation in East Java (where both Dutch and Republican sources had recently reported an increasing number of truce violations). He said that if the Dutch continued to be unreasonable a clash was inevitable and would soon spread to the rest of Java and to Sumatra. He had seen Mr Lovink, the Dutch High Commissioner, twice in the past few days but had been unable to make him see the

INDONESIA (*continued*)

dangers of the situation. On 13 October he had submitted a memorandum to the High Commissioner asking for early discussions between the military staffs of the two parties. The High Commissioner had referred to the Hague for instructions.

A Dutch official spokesman said that his Government considered the Sultan's statement as a violation of the manual of the cease-fire order.

17 Oct.—Dr Koets, head of the Secretariat of the Dutch High Commissioner, criticized the Sultan's statement. He admitted that the situation was serious, but maintained that the Republic was to blame as its army and adherents had filtered into new areas since the cease-fire agreement. In order to prevent a further deterioration the Dutch had proposed that on condition that the Republic refrain from intervening in the *negaras* in west and east Java, central Java and the western part of east Java be put under dual Dutch-Republican administration until the end of the Hague conference, when the areas concerned would be handed over to the Republic. The Republican Government had turned down this proposal and instead had sent the Sultan of Jogjakarta to Batavia, where he had proposed that the Dutch authorities should start the immediate withdrawal of their troops from all over Java and concentrate them in the capitals and residencies. An *aide-memoire* containing these proposals had been referred to the Hague.

IRAQ. 17 Oct.—Statement by Israeli Legation in London on persecution of Jewish minority (*see Great Britain*).

ITALY. 6 Oct.—*Britain*. Count Sforza, Foreign Minister, said in an interview in New York which was published in the press, that Italy's policy of close co-operation with the western Powers was being hampered by misunderstandings with Great Britain. This could be seen within the O.E.E.C., in trade relations between the two countries, and above all in the question of the Italian colonies. Italy needed Great Britain as much as the other western Powers, but Britain must realize that the policy of European unity must be furthered by all in the same spirit.

JAPAN. 19 Oct.—Mr Bevin on cessation of reparations (*see Great Britain*).

MALAYA. 7 Oct.—It was announced in Kuala Lumpur that up to the end of September 5,329 persons had been detained under the emergency regulations.

8 Oct.—The foundation ceremony of the University of Malaya was held in Singapore.

10 Oct.—Security forces in central Pahang began to evacuate the entire population of Paya Sat, a squatter village in the Mentakab district, where numerous bandit incidents had occurred.

19 Oct.—Bandits attacked the police station at Tanjong Rambutan, in Perak.

MALTA. 9 Oct.—The Labour Party Conference adopted by 244 votes to 141 a motion proposed by Mr Mintoff censuring Dr Boffa as Prime Minister and leader of the Labour Party.

11 Oct.—All the Cabinet Ministers, except the Minister of Justice who was abroad, together with nine Labour M.P's and two Independent members, signed a declaration stating that they would continue to recognize and follow Dr Boffa as leader both in and outside Parliament as an independent Parliamentary group.

13 Oct.—It was learned that following the vote of censure on Dr Boffa, most of the members of the Labour Party's executive had resigned from the party.

16 Oct.—Mr Mintoff was unanimously elected leader of the Labour Party in succession to Dr Boffa at a party conference.

19 Oct.—Statement on British financial assistance (*see Great Britain*).

MONGOLIAN PEOPLE'S REPUBLIC. 9 Oct.—It was learned that the Government had recognized the Chinese People's Republic.

NETHERLANDS. 16 Oct.—*Indonesia.* It was learned that the Indonesian delegations to the Hague conference had agreed to take over debts amounting to 3,400 million guilders. The military committee had agreed that after the transfer of sovereignty the responsibility for internal security and external defence should rest with the Indonesian Government; Dutch forces would no longer be used operationally except when requested by that Government. It had also been decided that on the request of the Republican Government a Netherlands military mission would go to Indonesia.

Statement by Sultan of Jogjakarta (*see Indonesia*).

17 Oct.—Statement on behalf of High Commissioner in Batavia (*see Indonesia*).

NORTH ATLANTIC PACT. 6 Oct.—The Defence Committee announced the ten members of the military committee as follows: Belgium, Gen. Baele, Army Chief of Staff; Canada, Gen. Foulkes, Chief of the General Staff and chairman of the joint Chiefs of Staff; Denmark, Gen. Moeller, Chief of the Army General Staff; France, Gen. Lechères, Air Chief of Staff; Italy, Gen. Marras, Chief of the Army General Staff; Netherlands, Admiral Van Holthe, Navy Chief of Staff; Norway, Gen. Oen, Air Force Commander-in-Chief; Portugal, Gen. Souza, Army Commander-in-Chief; United Kingdom, Gen. Morgan, chief of the joint Services Mission in Washington; United States, Gen. Bradley, chairman of the joint Chiefs-of-Staff. The members of the standing group were to be Generals Bradley (U.S.A.), Morgan (Britain), and Ely (France). It was also announced that London was to be the headquarters of the Military Production and Supply Board.

10 Oct.—The standing group of the military committee held its first meeting.

NORWAY. 10 Oct.—*Elections*. 1,748,246 people went to the polls in the general election. The results were: Labour, 800,792 votes, 85 seats (76 in 1945); Conservative, 277,913 votes, 23 seats (25); Liberal, 216,581 votes, 21 seats (20); Agrarian, 85,008 votes, 12 seats (10); Christian Popular, 146,413 votes, 9 seats (8), Communist, 101,666 votes, no seats (11).

PAKISTAN. 8 Oct.—Finance Minister in London (*see Great Britain*).

9 Oct.—A Public Safety Ordinance was promulgated for a period of one year giving to the Government wide powers of detention, restriction of movement, control of subversive associations, prevention of specified acts, control of information, and censorship of news.

13 Oct.—Field-Marshal Slim, Chief of the Imperial General Staff, arrived in Karachi for a short visit on his way to the Far East.

14 Oct.—Foreign Minister in Canada (*see Canada*).

PALESTINE. 8 Oct.—*Israel*. Dr Joseph, Minister of Supply and Rationing, announced substantial increases in food rations to meet the public demand. He said that this was not because of any improvement in the country's economic position. Indeed the food position was still serious; food imports had been costing £P14 million annually and this figure would presumably rise to £P17 million. But the cost of living had been reduced by 10 per cent. He also announced plans for increased land cultivation.

11 Oct.—*Arab Refugees*. Mr Clapp, chairman of the U.N. Economic Survey Group for the Middle East, stated in Lydda before leaving for Beirut that the Israeli Government had rejected all proposals to discuss the admission of Arab refugees, except within the framework of a general peace settlement. No rebuff had been received from the Arab countries about the short-range refugee employment scheme.

17 Oct.—Statement by London Legation on persecution of Jewish minority in Iraq (*see Great Britain*).

POLAND. 6 Oct.—*Germany*. Notes were sent to Britain and France protesting against the establishment of the west German Government.

19 Oct.—Recognition of east German Government (*see Germany*).

British reply to Note of 6 October (*see Great Britain*).

RUMANIA. 6 Oct.—The Government issued a declaration condemning the establishment of a west German State as a threat to the 'peaceful creative work' of Europe.

15 Oct.—Yugoslav reply to Government's Note of 1 October (*see Yugoslavia*).

SOUTH AFRICA. 7 Oct.—The Defence Minister, Mr Erasmus, informed Field-Marshal Smuts that the Governor-General had approved the termination of his appointment as Commander-in-Chief, Union Defence Forces in the Field.

11 Oct.—The press reported that the Government had submitted to

the British Government a document detailing twenty reasons for the incorporation in the Union of the British protectorates—Basutoland, Bechuanaland, and Swaziland, and giving an assurance that the conditions of transfer as laid down in the South Africa Act of 1909 would be honoured.

12 Oct.—Field-Marshal Smuts, addressing a United Party conference at Pietermaritzburg, said that the Union must cut adrift from the Government's isolationist policy and stand by the Constitution, recognizing as a fundamental principle the country's allegiance to the King. The Government, by shaking the faith of the world in South Africa, were responsible for her incredible economic setback. Their policy was already working havoc. South Africa's greatest national asset was the goodwill of her workers, yet the Government were 'dinning into those vast labour forces . . . that they were a menace to European civilization'.

17 Oct.—*Foreign Trade*. Mr Louw, Minister for Economic Affairs, announced at Pietermaritzburg that import control allocations for the first half of 1950 would be 30 per cent more than those in the last six months of 1949.

SWEDEN. 14 Oct.—*Government Changes*. The Finance Minister, Mr Hall, resigned.

19 Oct.—*E.R.P.* The Government announced the lifting of a series of import restrictions with all the Marshall plan countries except Belgium, Switzerland, and western Germany.

TRIESTE. 15 Oct.—Mr Shinwell, the British Secretary of State for War, arrived from Austria for a short visit.

UNITED NATIONS

ECONOMIC COMMISSION FOR EUROPE

12 Oct.—*Sterling-dollar Balance*. A study of the gold and dollar deficit of the sterling area published in the Commission's *Economic Bulletin for Europe* showed that the major part of the sterling area's deterioration with the dollar area was due to dollar imports by members of the sterling area other than Britain. Between 1938 and 1948 the British deficit on merchandise account rose by only \$77 million compared with an increase of \$378 million by the rest of the sterling area. In order to reap the benefits of devaluation Britain was advised to reduce her financing of the economic development of other members of the sterling area and to impose more rigid limits on the level of unrequited exports. All members of the sterling area were advised to seek their major markets in Canada and non-dollar countries rather than in the U.S.A.

GENERAL AGREEMENT ON TARIFFS AND TRADE

7 Oct.—Mr White, executive secretary of the interim commission for the International Trade Organization, told a press conference in Geneva that the 123 trade agreements for tariff reductions worked out

U.N. GENERAL AGREEMENT ON TARIFFS AND TRADE (*continued*)

in 1947 by the members of the preparatory committee of the I.T.O., had been followed up during the Annecy negotiations (11 April to 27 August, 1949) by a further 147 agreements between the twenty-three contracting parties and ten acceding countries. A 'third round' of tariff negotiations was planned for September 1950, to which nine more countries had been invited.

9 Oct.—Statement on U.S. part in tariff negotiations (*see United States*).

10 Oct.—Eight nations signed the Annecy Protocol at Lake Success. They were Australia, Britain, Canada, France, the Lebanon, the Netherlands, the U.S.A. ('contracting' countries), and Haiti (an 'acceding' country).

British White Papers on Annecy Conference (*see Great Britain*).

GENERAL ASSEMBLY

18 Oct.—*Security Council Seat*. Mr Vyshinsky told a press conference that a bargain had been struck behind the scenes between Yugoslavia and other delegations, led by the U.S.A., for electing Yugoslavia to one of the non-permanent seats on the Security Council rather than Czechoslovakia—the official candidate of the east European countries. Basing his remarks on Article 23 of the Charter, and on the gentleman's agreement that non-permanent seats should be at the disposal of clearly defined geographical regions, he said that the Soviet delegation would not regard Yugoslavia's election as either lawful or just, and her candidacy could only be regarded as a challenge to the People's Democracies and to the Soviet Union. Questioned about atomic energy, Mr Vyshinsky reaffirmed that the U.S.S.R. had had the atom bomb since 1947. He added that the U.S.S.R. stood firm for prohibition of the bomb under strict international control, but dismissed the U.S. plan as a 'super-trust' to which Moscow could not agree.

Economic Committee

14 Oct.—*Under-developed Areas*. The proposals of the Economic and Social Council for the provision of technical aid to backward areas were adopted unanimously.

Legal Committee

6 Oct.—The Yugoslav delegate tabled a draft declaration on the rights and duties of States.

12 Oct.—Sir Hartley Shawcross (Britain) made a statement supporting the draft declaration on the rights and duties of States, prepared by the International Law Commission, and opposing the Yugoslav draft.

Political Committee

6 Oct.—*Balkans Peace Treaties*. Sir Hartley Shawcross, the British Attorney-General, addressed the *ad hoc* committee on the suppression of political and personal freedom in Bulgaria, Hungary, and Rumania in relation to the human rights' clauses in the peace treaties, and sup-

ported the U.S. proposal that the International Court be asked for a ruling on the legal aspect of the question. He dwelt with particular emphasis on the inevitable 'confessions' in all the political and religious trials, and said that this must be due to subtle psychological treatment.

Ex-Italian Colonies. Hearings were begun of the views of local political parties.

10 Oct.—*Ex-Italian Colonies.* The U.S.A. tabled a motion proposing that Libya should be granted independence within three years with the assistance of an advisory council, composed of Britain, Egypt, France, Italy, the U.S.A. and two local delegates; Italian Somaliland should be placed under U.N. trusteeship with Italy as administrator; Eritrea should be divided between Ethiopia and the Sudan.

A British statement on the recent rioting at Mogadishu (*see p. 658*) said that police and military units had been compelled to open fire when they were attacked by a crowd of 2,000 Somalis who had been refused permission to march to the Italian quarter. Two rioters had been killed and three had since died from wounds; one British officer and six native constables had been injured. For security reasons the British administration had closed all political club buildings until the situation returned to normal.

11 Oct.—*Balkans Peace Treaties.* Mr Vyshinsky, the Soviet Foreign Minister, replied to the speech of Sir Hartley Shawcross by criticizing British justice. He opposed the U.S. motion, insisting that there had been no violation of treaty obligations. The trials mentioned in the charges had nothing to do with the provisions of the treaties but were a means of self-defence against traitors and international intrigues.

Ex-Italian Colonies. A twenty-one nation sub-committee was named to co-ordinate the various proposals.

12 Oct.—*Ex-Italian Colonies.* The sub-committee agreed on the general principle of Libyan independence.

Balkans Peace Treaties. The debate in the *ad hoc* committee continued with abortive exchanges between Sir Hartley Shawcross and Mr Vyshinsky, the latter reaffirming that no dispute existed in the absence of agreement on the subject by the three great Powers.

13 Oct.—*Ex-Italian Colonies.* The sub-committee rejected by a close vote the Soviet proposal for immediate independence for Libya and accepted by 18 votes to 3 the motion that independence should be granted not later than 1 January 1952. For the interim period it was decided that a U.N. Commissioner should be appointed with a six-Power advisory Council.

Balkans Peace Treaties. The *ad hoc* committee adopted by 41 votes to 5, with 9 abstentions, the joint U.S.-Canadian-Bolivian proposal that a ruling be sought from the International Court on four specific points: (1) whether a dispute existed within the competence of the treaties; (2) whether the three Governments were bound to appoint members to the treaty commissions; (3) whether (in the event of affirmative answers to these two points) in the absence of such members the U.N. Secretary-General was authorized to appoint them at the request of the other party to the dispute; (4) whether the treaty commission so constituted

U.N. GENERAL ASSEMBLY. *Political Committee (continued)*

was competent to make a binding decision in settlement of the dispute.

17 Oct.—*Ex-Italian Colonies*. It was learned that the sub-committee had agreed that Somaliland should be placed under international trusteeship for ten years, after which the General Assembly could review the question of independence.

18 Oct.—*Ex-Italian Colonies*. The sub-committee voted by 12 to 8, with 1 abstention (India), that Italy should be given trusteeship over Italian Somaliland.

Greece. Gen. Romulo, president of the Assembly, informed the committee that the efforts of the Balkans Conciliation Committee had ended in deadlock after twenty-nine meetings.

19 Oct.—*Ex-Italian Colonies*. The sub-committee turned to Eritrea for which most of the proposals under consideration favoured independence within a few years rather than the British and U.S. idea of partition between Ethiopia and the Sudan. India proposed, as a compromise, that Eritrea be treated as a single unit with the largest measure of autonomy, but united with Ethiopia in the matter of common services and ports. The western province, under this arrangement, would have the right to secede at any time. The U.S.A. attempted to meet the objections to annexation by suggesting that Eritrea be made an autonomous State, federated with Ethiopia under the Emperor's crown. It was known that the Latin-American States were pressing for an independent Eritrea in two years time.

INTERNATIONAL BANK

17 Oct.—An agreement was signed with Finland providing her with a \$2,300,000 loan for the development of timber resources. A similar agreement was signed with Yugoslavia for a loan of \$2,700,000.

INTERNATIONAL MONETARY FUND

10 Oct.—It was announced that a 'transaction in exchange' for \$3 million in U.S. currency had been provided for Yugoslavia.

INTERNATIONAL REFUGEE ORGANIZATION

13 Oct.—Mr Kingsley, Director-General, announced plans to continue the agency a year beyond its set closing date of 30 June 1950.

14 Oct.—It was learned that a special Budget of \$55 million had been drawn up to continue the organization for a further year.

18 Oct.—The General Council decided to prolong the organization's work for six to nine months after the official closing date.

SECURITY COUNCIL

11 Oct.—*Armaments*. The Soviet delegate vetoed the report of the Conventional Armaments Commission (*see p. 517*). Instead he proposed a full exchange of information among member States both on conventional armaments and atomic weapons.

14 Oct.—*Armaments*. M. Chauvel, France, tabled a counter-proposal making adequate verification an essential part of such information. Both

the U.S. and Canadian delegates urged the Soviet delegate to accept this principle if his desire for disarmament were sincere.

18 Oct.—*Armaments.* Mr Malik, the Soviet delegate, vetoed the French proposal.

UNITED STATES. 6 Oct.—*M.A.P.* President Truman signed the Mutual Defence Assistance Act which provided a total of \$1,314,010,000 for military aid to the signatories of the North Atlantic Pact, Greece, Turkey, Persia, South Korea, the Philippines, and—at the President's discretion—the general area of China.

E.R.P. President Truman signed the Foreign Economic Recovery Bill which provided \$4,852,380,000 for the E.C.A. (\$1,074 million for the last quarter of 1948, and \$3,628,380,000 in cash and \$150 million in loan authority for the current fiscal year), \$912,500,000 for the occupied areas, \$45 million for non-military aid to Greece and Turkey, and \$110,000 for the Congressional 'watchdog' committee.

Germany. Mr Webb, acting Secretary of State, issued a statement rejecting the charges in the Soviet Note of 1 October and declaring that it was the U.S.S.R., not the western Powers, which had wrecked the Potsdam principles. The Soviet Union 'by creating a dictatorial, unrepresentative régime, by building up a German para-military force, by strangling free economic life, by looting the natural and industrial resources, by reopening concentration camps . . . has steadily separated its Zone from the main part of Germany and from the Potsdam goals of democracy, peace, and prosperity'. The United States would not be deterred by Soviet obstruction from its attempts to encourage democratic prosperity and peace in Germany.

U.S.S.R. A Note was sent to the U.S.S.R. protesting against the treatment of Americans who strayed into the Soviet Zone of Germany.

7 Oct.—*Atomic Energy.* The joint Congressional committee on atomic energy had a conference with the Secretary of the Air Force, Mr Symington, the Air Force Chief-of-Staff, Gen. Vandenberg, and the Commander of the Strategic Air Force, Gen. Lemay.

M.A.P. It was announced that Mr James Bruce, formerly Ambassador in Argentina, had been appointed director of the foreign military assistance programme.

China. A State Department spokesman announced that the two U.S. merchant ships detained by the Chinese Nationalists on 29 September had been released with their crews, passengers, and cargoes.

9 Oct.—*Tariff Negotiations.* The State Department announced that in the Annecy talks the U.S.A. had gained concessions from the acceding countries on products which they imported from the U.S.A. in 1947 to the value of about \$537 million. In return the U.S.A. had granted concessions to products imported from the acceding countries in 1948 to the value of over \$143 million.

10 Oct.—*M.A.P.* The President asked Congress to appropriate the full amount authorized in the Mutual Defence Assistance Act—i.e. an appropriation of \$814,010,000 and authority to enter into contracts for \$500 million.

UNITED STATES (*continued*)

11 Oct.—*India*. Pandit Nehru, the Indian Prime Minister, arrived in Washington and was received by President Truman.

12 Oct.—*Germany*. Mr Acheson, Secretary of State, told a press conference that the Government considered the 'so-called German Democratic Republic' to be without any legal validity, having been created by Soviet and Communist *fiat*. He also rejected the recent protests by Czechoslovakia, Hungary, and Rumania against the establishment of the Bonn Government, declaring that they were made 'in the interests of a foreign Power'.

13 Oct.—*India*. Pandit Nehru addressed both Houses of Congress. He spoke of the profound influence of the American ideals on Indian institutions and of the stress placed in their Constitution on the fundamental human rights. Referring to conditions in his country he said that although India ranked seventh or eighth among the world's industrial nations the majority of the population suffered from extreme poverty. This problem, which could only be solved by greater production, more equitable distribution, better education, and better health, was their own responsibility. But they would welcome mechanical and technical aid on terms of mutual benefit.

14 Oct.—*Communism*. Eleven leaders of the Communist Party, including the Secretary-General, E. Dennis, were found guilty, after a nine-months' trial, of conspiracy to advocate and teach the overthrow of the Government.

M.A.P. The House of Representatives agreed to the appropriation of the full amount in the final version of the Authorization Bill, after a recommendation to this effect by its appropriations committee.

17 Oct.—*M.A.P.* The Senate appropriations committee approved the full credit proposed in the Bill.

Strikes. 20,000 aluminium workers joined in the strike, bringing the number of idle in the basic industries to about one million.

Colombia. It was learned that the Government and the Colombian Government had agreed to the termination of the reciprocal trade agreement signed in September 1935, following the failure of the two countries to settle their differences at the Annecy conference.

Germany. The Government's reply to the Soviet Note of 1 October was published. It rejected the Soviet charges of militarism in western Germany and indicated that these charges would apply more properly to the U.S.S.R., which had repeatedly rejected the U.S. proposal of a four-Power disarmament treaty, and had set up a para-military police force in the eastern Zone of Germany. The Note reaffirmed the Government's faith in the Potsdam principles and expressed the hope that the U.S.S.R. would cease to impose its arbitrary will on the Germans in its Zone and co-operate with the western Powers in helping 'all Germans of all Germany . . . to work out their common political destiny . . . with democratic freedom of action'.

India. Pandit Nehru, speaking in New York, said that India did not propose to align herself with any *bloc*. This detachment was neither isolationism nor indifference. If man's liberty or peace were in danger

'we cannot, and shall not, be neutral'. Peace could neither be preserved by surrendering to aggression nor by talking and preparing for war, and the formation of hostile *blocs* was likely to precipitate a conflict. To ensure peace the root causes of war must be attacked—the domination of one country by another, human want, and racial relations. Most of the western Empires in Asia had now disappeared, but large parts of Africa were still subject to foreign Powers. 'It is clear that all remaining vestiges of imperialism and colonialism will have to disappear.'

18 Oct.—*Economic Policy*. Dr Nourse, chairman of the Council of Economic Advisers, delivered a violent attack on the Government's economic policy in a speech in Washington. He said he could not share the optimistic forecast of long and undisturbed prosperity. The nation was indulging in wishful thinking and failed to realize that you could not get more out of the economic system than you put in. After criticizing the trade unions and the employers, he said he was concerned to see the Government 'slipping back into deficits as a way of life in a period when production and employment are high. . . . Monetary and fiscal tricks have no power or magic but are the slippery road to misery'.

Defence. Final Congressional approval was given to the appropriation of over \$15,585 million for national defence in the current fiscal year.

19 Oct.—*Greece*. Mr Acheson told a press conference that the Greek civil war was substantially over. Only about 2,000 rebels were believed to be still on Greek soil and these appeared to be making their way towards the Albanian frontier, over which some 8,500 had already fled. A further 3,500 had entered Bulgaria.

Yugoslavia. Mr Acheson also referred to Yugoslavia's candidacy for a seat on the Security Council and rejected Mr Vyshinsky's contention that her election would be a violation of the Charter. The U.S.A. would continue to support Yugoslavia. The matter was, in any case, not one of great importance.

Economic Policy. The President accepted the resignation of Dr Nourse.

E.R.P. Mr Hoffman, the E.C.A. administrator, speaking in Philadelphia, said that foreign aid should be reduced as soon as possible, and that E.C.A. aid should end on the scheduled date of 30 June 1952. But even with the E.C.A. liquidated it was doubtful whether foreign aid could be held below \$2,000 million annually. A major saving could be made by cutting down defence appropriations, but this could not be done with safety until the democratic countries of Europe had won the cold war.

M.A.P. The Senate approved the full appropriations.

Both Houses of Congress adjourned until January.

U.S.S.R. 6 Oct.—Statement by Mr Webb replying to Soviet Note of 1 October on Germany, and protest against treatment of Americans in Soviet Zone of Germany (*see United States*).

Anti-Soviet article by Mr Pijade (*see Yugoslavia*).

Appointment of Ambassador to Peking (*see China*).

U.S.S.R. (*continued*)

10 Oct.—British replies to Notes of 1 October (Germany) and 19 September (Italy's adherence to Atlantic Pact) (*see Great Britain*).

12 Oct.—Greek protest about alleged deportations of Greeks from Georgia to Kazakhstan (*see Greece*). Reports reaching London said that many Greek nationals from Odessa and the Crimea and the Turkish, Persian, and Armenian minorities in the Caucasus had also been deported.

14 Oct.—French reply to Note of 1 October on Germany (*see France*).

Mr Stalin's message to Democratic German Republic (*see Germany*).

16 Oct.—Recognition of east German Government (*see Germany*).

17 Oct.—U.S. reply to Note of 1 October (*see United States*).

18 Oct.—Mr Vyshinsky's press conference (*see U.N. General Assembly*).

WESTERN UNION. 8 Oct.—A three-day conference of the cultural committee of the Brussels Treaty Powers ended in Luxembourg.

12 Oct.—*Defence*. Field-Marshal Lord Montgomery, chairman of the Defence Organization, speaking in London, said that three main requirements were necessary for successful co-operation: clear political direction and decisions, and an international outlook. Each nation must be prepared if necessary to suffer some small loss of sovereignty, and certain risks must be taken in the pooling of resources. The only alternative was for each nation to be self-sufficient in defence. So far remarkable progress had been achieved, particularly in the fields of planning and of the standardization of operational procedure and equipment.

YUGOSLAVIA. 6 Oct.—U.S.S.R. Mr Pijade, Vice-President of the Republic, writing in *Borba*, accused the Soviet leaders of 'hypocrisy'. In the original Cominform resolution they had accused the Yugoslav Communist Party of a lack of democracy, yet they themselves had not held a party conference for ten and a half years, thus violating the statute of the Bolshevik Party.

7 Oct.—*Albania*. An Albanian patrol ambushed and killed a Yugoslav soldier about eight miles north-west of Djakovich, according to Belgrade reports.

8 Oct.—*Hungary*. A Note was handed to the Hungarian Minister in reply to his Government's Note of 30 September, accusing the Hungarian Communist leaders of reviving the 'catastrophic policy' of former Hungarian Fascist régimes, based on 'chauvinistic hatred' of the Yugoslav people, and comparing Yugoslavia's friendly policy towards Hungary since the war with Hungarian hostility after the Cominform resolution.

10 Oct.—Note of protest to Czechoslovak Government (*see Czechoslovakia*).

Exchange transaction with International Monetary Fund (*see U.N. International Monetary Fund*).

11 Oct.—*Albania*. A Note was handed to the Albanian Legation protesting against the frontier incident on 7 October.

14 Oct.—*Bulgaria*. It was learned that the Government had replied to the Bulgarian Government's Note of 1 October, accusing them of acting against the wishes of their own people in showing hostility to Yugoslavia, and of engaging in 'dark machinations' over Macedonia.

15 Oct.—The Government replied to the Rumanian Note of 1 October contrasting the 'consistently friendly policy' of Yugoslavia towards Rumania with the 'open hostility in word and deed' shown by 'certain Rumanian leaders' since the passing of the Cominform resolution.

16 Oct.—An article in *Borba* spoke of 'mass arrests' in Bulgaria and forecast another Cominform treason trial in Sofia in which the chief actor would be Mr Kostov.

17 Oct.—Grant of \$2,700,000 loan (see *U.N. International Bank*).

18 Oct.—Mr Vyshinsky's anti-Yugoslav speech (see *U.N. General Assembly*).

19 Oct.—*Borba* reported that Hungary, Rumania, Bulgaria, and Albania were bringing up troops to the Yugoslav border, while 'demonstrative' movements of Soviet troops had been going on in Rumania and Hungary since August. In Bulgaria the number of Russian specialists and instructors had been increased, and in Albania frontier fortifications were being built under the direction of Russian engineers.

FORTHCOMING EVENTS

1949

- Nov. — Consultative Council of Brussels Treaty Powers, Paris.
- „ — Conference of British representatives in the Far East, Singapore.
- „ 3 Meeting of the Committee of Ministers of the Council of Europe, Paris.
- „ 7 Meeting of the Permanent Committee of the Assembly of the Council of Europe.
- „ 7 Informal Conference of the Governors of the Caribbean Colonies, Barbados.
- „ 9 General Election, Syria.
- „ 14 Council of F.A.O., seventh session, Washington (tentative).
- „ 15 Meeting of Executive Committee of World Federation of Trade Unions, Peking.
- „ 25 Islamic Economic Conference, Karachi.
- „ 28 Constituent Conference of new Trade Union International, London.
- Dec. — First meeting of the Military Production and Supply Board of the North Atlantic Treaty, London.
- „ 1 North Atlantic Council of Defence Ministers, Washington.
- „ 10 General Election, Australia.
- „ 11 Referendum on the future of the French settlements in India.

1950

- Jan. 3 Further session of U.S. Congress.
- „ 4 U.N. Trusteeship Council, sixth session, Lake Success.
- „ 26 Inauguration of the Indian Republic.
- Feb. 7 U.N. Economic and Social Council, tenth session, Lake Success.